

**MINUTES of the
KEENE CITY COUNCIL**



Thursday, February 27, 2020

Gary Heinrich
Mayor

Lisa Parrish
Place I

David Bass
Place II

James Belz
Place III

Rob Foster
Ward I

Gwen Beeson
Mayor Pro Tem (Ward II)

Robert Cooper
Ward III

Attendance

Present

- Mayor Pro Tem Gwen Beeson
- Councilmember Lisa Parrish
- Councilmember David Bass
- Councilmember James Belz
- Councilmember Rob Foster
- Councilmember Robert Cooper

Absent

- Mayor Gary Heinrich

CALLED TO ORDER: Meeting called to order at 6:00 PM

Invocation was given by Gwen Beeson
Pledge of Allegiance & Texas Pledge

1. Public Comments:
 - **Paul Gnad** spoke in favor for the tax freeze.
 - **Diane Hartline** spoke in favor for the tax freeze.
2. Mayor's Comments:
None
3. Consideration of City Council Minutes dated February 13, 2020.
Mayor Pro Tem Beeson called for a motion. Councilmember Cooper moved to approve the minutes from February 13, 2020 as presented, second by Councilmember Bass. Motion carried unanimously (6 Yes – 0 No).
4. Discussion and possible action regarding Resolution No. 2020-369 to remove Patsy Patten, City Secretary as authorized signatory for all accounts with Pinnacle Bank.
Mayor Pro Tem Beeson called for a motion. Councilmember Parrish moved to remove Patsy Patten City Secretary as authorized signatory for all accounts with Pinnacle Bank, seconded by Councilmember Foster. Motion carried unanimously (6 Yes – 0 No).
5. Discussion and possible action regarding approval of Ordinance No. 2020-608 regarding a Tax Freeze for Property Owners Aged 65+ and/or Disabled.
 - **Prior to the item, Councilmember Cooper said a few words of praise regarding the city staff.**
 - **Councilmember Cooper stated his concerns about freezing the taxes because the council has not received budget figures for the entire year. Mr. Cooper also advised that the council does not know where the city stands financially, and the council should be sure not to make a solid decision until it knows where it is financially.**
 - **Councilmember Bass provided some pros and cons regarding the tax freeze decision. Mr. Bass discussed about the different Adventist groups that are out there who promote places where Adventists can retire. Mr. Bass talked about a few potential negatives such as: financial impact leading to a decrease of public services. Mr. Bass continued by providing the positives that he believes outweigh the negatives. These positive examples were: increase long-term stability with our residents, reduction in blight, increase in retiring citizens which will require more houses. Mr. Bass talked about the positive of the 86 new homes that will be built**

which could offset the tax freeze. Mr. Bass stated that the city keeps finding money and although the council does not know the budget status, as a businessman, you have to take risks. Mr. Bass stated that the city can keep fighting the budgetary issues and that if the council does not do something, the county will keep raising the taxes and take the houses away.

- Councilmember Foster stated that he was on the fence about the tax freeze but what bothers him is that 81% of children that go to Keene ISD are on free lunch, which means those parents are at the poverty level or close to it. Mr. Foster stated that these parents are going to be the ones penalized by putting more of the tax burden on them. Mr. Foster stated that he is close to 65 and he would appreciate a tax freeze just as much as everyone else. Mr. Foster stated that the council does not know what the budget numbers are and there will be a tremendous tax load on the younger folks. Mr. Foster stated that the city hall was built based on a decision of only city hall people. Mr. Foster stated that it takes just 4 councilmembers to make a decision that could impact every citizen in town, and he believes that this decision should be a decision of the whole town and not just 4 people. Mr. Foster made a motion to table the decision and when the council sees the budget it can make a decision and could move forward if the citizens decide to put it on the ballot.
- Mr. Dan Roberts presented the council with a list of 339 people from Central Appraisal District (CAD) and then discussed about the problems with the house evaluations.
- Councilmember Parrish asked City Manager Boese if the council did the tax freeze, will the council be taking away the \$15,000 exemptions from the people 65+ or disabled. Mr. Boese advised the council that there is currently no motion or ordinance presented which would remove or change the current exemptions.
- Ms. Samantha Gillin spoke in favor of tax freeze.
- Councilmember Parrish asked Mr. Boese if the tax freeze passes and the tax exemption change gets put on the agenda, what would that do for the citizens that got the freeze. Mr. Boese explained that the council could always change the exemption amount and it could theoretically increase the amount that a senior would pay. Mr. Boese stated that the tax freeze is the first thing that the appraisal will look at and that the exemptions is the second thing. Mr. Boese clarified that if the current council or future council decides to increase or decrease the tax exemption amount, that change would cause the taxes of the senior citizens to go up or down.
- Mr. Boese went over the numbers that were presented to the council in previous meetings and explained that the numbers provided to the council were based on averages from previous years and that any one factor could change the numbers.
- Mayor Pro Tem Beeson asked Mr. Boese which tax year the tax freeze would be on. Mr. Boese stated that if the tax freeze is enacted any time in 2020, whatever the tax evaluation received in 2020 would be where it would be frozen.
- Ms. Hartline spoke in favor for the tax freeze.
- Mr. Gnadts spoke in favor for the tax freeze.
- Mr. Carl Wright spoke in favor for the tax freeze.
- Mr. Thomas Gutwa spoke in favor for the tax freeze.

- **Councilmember Belz made a motion to approve Ordinance No. 2020-608 regarding a Tax Freeze for Property Owners Aged 65+ and/or Disabled, seconded by Councilmember Parrish.**
 - **Motion Failed**
 - **3 – Yes**
 - Councilmember Belz
 - Councilmember Parrish
 - Councilmember Bass
 - **3 – No**
 - Councilmember Beeson - Mayor Pro Tem
 - Councilmember Cooper
 - Councilmember Foster
 - **Due to parliamentary rule of the home rule charter, the item was tabled due to there being no tie breaker.**
- **Councilmember Foster made a motion to table the item until next meeting (March 12, 2020), seconded by Councilmember Cooper.**
 - **Motion Passed**
 - **3 – Yes**
 - Councilmember Beeson - Mayor Pro Tem
 - Councilmember Cooper
 - Councilmember Foster
 - **3 – Abstained**
 - Councilmember Belz
 - Councilmember Parrish
 - Councilmember Bass
 - **Mr. Boese explained that council has no choice but to table the item as the charter does not specify a resolution other than the mayor breaking the vote. Due to parliamentary procedure, the item will be tabled until next meeting.**

6. Department Reports

- Economic Development – Director Molly Martin
Mrs. Martin provided a monthly report on Economic Developments' activity.
- Fire Department – Chief Dan Warner
Chief Warner provided a monthly report on Fire Departments' activity.


7. Executive Session:

The City Council of the City of Keene, Texas, reserves the right to convene into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.086 (Economic Development).

8. Reconvene into Open Session for possible action resulting from any item posted discussed in Executive Session.

9. Adjourn: There being no further business, Mayor Pro Tem Beeson adjourned the meeting at 7:12 p.m.

By: 
Gary Heinrich, Mayor

Attest: 
Natanael Drambareanu
Assistant to the City Manager